

RA5



Welcome home!

512 Valley Way
Milpitas, CA 95035

408-416-0271
www.srhousingsolutions.org

August 31, 2005

Mr. Charles Lawson
Acting City Manager
City of Milpitas
455 East Calaveras Boulevard
Milpitas, California 95035

City Manager

SEP - 1 2005

RECEIVED

Dear Mr. Lawson,

Senior Housing Solutions (formerly Project Match) is planning to develop 5 units of affordable housing for extremely low-income seniors in the City of Milpitas. We have spoken to Councilmember Bob Livengood about the project and he was positive about his support for the project and encouraged us to move forward. We met with Councilmember Debbie Giordano on August 17th and she has also given her support to the project. I made contact with Felix Reliford about how to proceed in requesting financial support from the council and he suggested I write to you. The purpose of this correspondence is to solicit \$570,000 of support for the project from the City of Milpitas Redevelopment Agency. I am hoping that you would be willing to agendaize this item before the Milpitas Redevelopment Agency, in order to determine the level of support to finance the project.

The mission of Senior Housing Solutions (SHS) is simple: To develop affordable housing to help extremely low-income seniors improve their quality of life. Our innovative model combines housing, property management and case management to achieve positive health and quality of life outcomes for our residents. Today the Senior Group Residence Program provides 37 units of affordable housing for extremely low-income seniors in eight single-family homes throughout Santa Clara County (2 in Campbell, 2 in Sunnyvale, 2 in Santa Clara, 1 in San Jose and 1 in Los Gatos). The average age of current residents is 72 years; the average monthly income is \$935. Rent, including utilities, phone and cable is just \$280 a month. Our web site is www.srhousingsolutions.org if you'd like more information.

For the Milpitas Senior Group Residence Project we plan to purchase a 3-5 bedroom home and rehab it so that it is appropriate to house 5 extremely low-income seniors. Rents would be held at 30% of the senior's income. Our target is City of Milpitas residents who are seniors and whose income is \$1,000 per month or less. We would propose to finance the project with a combination of funding sources including Milpitas Redevelopment Agency, County of Santa Clara Office of Affordable Housing and the Housing Trust of Santa Clara County (sources and uses attached).

We've used this formula successfully in most of our Senior Group Residences mentioned above. We have an application for \$250,000 pending at the County Office of Affordable Housing (OAH). OAH staff plan to send their recommendations for funding to the Board of Supervisors on September 13, 2005. Once we have gained site control we will make our loan application to the Housing Trust. For projects of the size proposed (5 units) the Trust will lend up to \$20,000 per unit. We have loans from the Trust on our last two projects; one in Campbell and the other in Los Gatos. Should the rehab needs be more extensive than planned we would consider requesting a loan from either the City of Milpitas Rental Rehab Program or the County of Santa Clara Rental Rehab Program. I have attached a history of our sources for acquisition and rehabilitation for our past six projects for your information. All of the loans identified are residual receipt or deferred simple interest and principle. Affordability periods range from 15 to 99 years.

The process is to obtain funding commitments for the project from the City of Milpitas Redevelopment Agency (not later than October) and from the OAH Fund by the end of September (OAH staff have indicated that they will be recommending funding for the Milpitas House Project at the \$250,000 level). Then we would go out on the market and secure an appropriate single-family home. I've attached a copy of the multiple listing for the property at 1276 Olympic Drive as an example of the type of property we would seek: one story, 4 bdrm 2 bath, within walking distance of a bus stop, convenience shopping near by. On this particular property we would want to add one bedroom and at least a half bathroom. We'd check out the roof, internal and external paint, landscaping, available storage, condition of heating/cooling system, hot water heater, kitchen layout and other amenities that would both secure the major property maintenance for several years as well as make the house comfortable for 5 seniors to share. We're assuming our usual rehabilitation activities which include new roof, gutters, double pane windows, window coverings, floor covering, interior and exterior paint, HVAC upgrade or modifications and kitchen remodel. We would then make an offer on the property just as a private buyer of a single-family home would do. We'd need to be able to work within the structure of a 30-45 day escrow period. An escrow account would be established and all the loan documents would be signed at the close of escrow and recorded. Construction would start within a month of the close of escrow and be completed within six months or less. Tenancy would begin within eight months of funding approvals and rent up would take about up to three months depending on the market. We would do affirmative marketing within the City of Milpitas to ensure Milpitas residents got the first shot at renting the new units. We would give Milpitas residents priority during the initial rent up but would fill the house as soon as possible to meet operation costs.

Thank you for taking time to review this correspondence and the attached materials. I really hope you find our project worthy of your support and the support of the City of Milpitas. I'll make contact with you the week of September 12 if I do not hear from you before then.

Very truly yours,



Bob Campbell, Executive Director

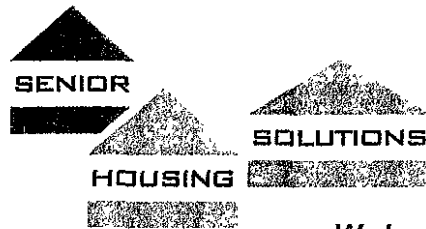
**SENIOR HOUSING SOLUTIONS
MILPITAS SENIOR GROUP RESIDENCE PROJECT
SOURCES AND USES**

**5 Bedroom, 3 bath home
Milpitas Senior Group Residence**

	City of Milpitas Redevelopment	County of Santa Clara OAH	Housing Trust of SCC	Senior Housing Solutions	TOTALS
Acquisition	452,500	227,500			680,000
Rehabilitation	81,925		89,600		171,525
Closing Costs & Fees 57,900	25,000	22,500	10,400		57,900
inspections & permits 3,100					
escrow & title 5,400					
prepaid insurance 1,900					
loan admin fee 10,000					
Developer Fee 37,500					
Vacancy reserve 4,200				4,200	4,200
Start-up 17,600	10,575			7,025	17,600
program supplies 2,035					
communications & cable 5,500					
Equipment/House Furnish purchase 7,025					
Contract services 6,300					
utilities 1,740					
TOTAL	570,000	250,000	100,000	11,225	931,225

ANNUAL OPERATING REVENUES AND EXPENSES

REVENUES		EXPENSES	
Rental Income (5rms @ 300)	18,000	Personnel	0
5% Vacancy Allowance	-900	Professional	0
		Supplies (incl phone & bkgrnd chks)	600
TOTAL REVENUE	17,100	Occupancy	13,410
		Equip	0
		Printing	0
		Reserves(5%)	855
		Other	500
		Total Expenses	15,365
		Revenue/Expenses	1,735



Welcome home!

Senior Group Residence Program



Affordable shared housing in single-family homes

Neighborhood setting

Supportive services

Serving Low-Income Seniors Since 1977

The Challenge

The senior population in Santa Clara County is growing and so are the number of seniors who struggle economically, limiting their ability to function independently and live with dignity.

Consider these facts:

- 179,000 seniors 55+ in Santa Clara County have annual incomes below \$22,000;
- Seniors living in the County have increased 33.6% since 1990;
- The average monthly rent in the County is \$1,146 – more than the total monthly income of over 60,000 seniors now living within the County.

Seniors often face personal challenges:

- Loss of loved-ones;
- Declining health and mobility;
- The need for financial and community resources and support;
- 25% of-seniors 65+ live alone, leading to social isolation and depression;
- Seniors are 13% of the population, yet account for 25% of all suicides.

Our Mission

The mission is simple: Develop affordable housing to help extremely low-income seniors improve their quality of life. Our goal is to develop safe, affordable housing and create opportunities that enhance the ability of seniors to live healthy, high quality lives.



This beautiful backyard is the result of the "pride of ownership" that is common among our residents.

We were the first non-profit organization in the nation to explore "home sharing", an innovative housing strategy for seniors with low

incomes. We began by renting a six-bedroom house in San Jose, furnishing the common areas of the house, installing phone and cable television, and renting rooms at affordable rates to seniors.



Exterior and interior space provides residents with privacy as well as social opportunities.

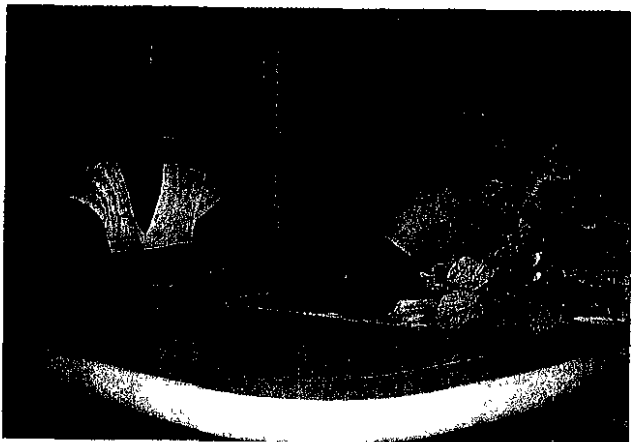
Today we manage 37 units of affordable housing for seniors in San Jose, Santa Clara, Sunnyvale, Campbell, and Los Gatos. The average age of current residents is 73 years and their average monthly income is \$995. Their cost to live in a Senior Housing Solutions shared home, including rent, utilities, phone, and cable TV averages just \$275 a month.

The Senior Group Residence Program has proven effective in providing seniors affordable housing plus an environment of community with other seniors. Housemates become close friends, providing each other with invaluable support, companionship, and security in case of an emergency. Each has a private bedroom and shares the common areas of the home.



Our homes are located in lovely single-family neighborhoods such as this one in Sunnyvale.

Support Services



The Senior Housing Solutions Social Worker visits each home on a regular basis to provide support and information.

Sharing a home with other seniors can be a wonderful experience. At the same time, we realize that there may be challenges to such an arrangement. These challenges include interpersonal conflict, learning to share a home after decades of living alone and dealing with the grief of loss that is a natural part of the aging process. Therefore, we offer on-going support services provided by our social worker.



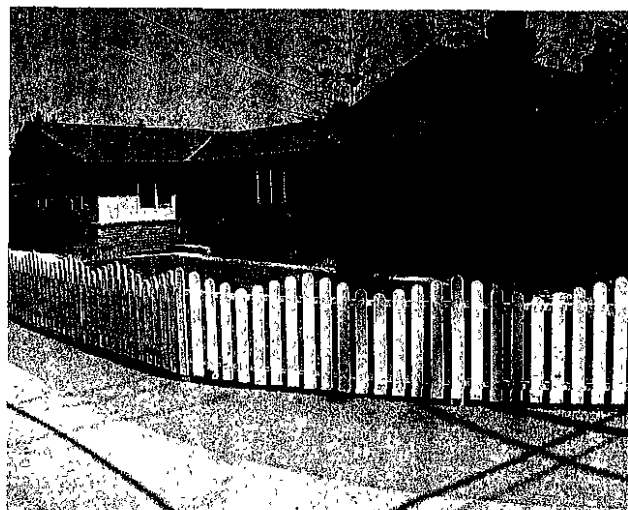
Residents appreciate the availability and friendliness of our on-going support services.

Knowing that the Social Worker is available to help overcome such challenges can make a big difference in the well being of our residents. The Social Worker gets to know each person individually. She offers on-going needs assessment, monitors the resident's health, and helps to ease the new resident into a shared living arrangement with emotional support.

The Social Worker also works with the group as a whole, providing conflict resolution, teaching socialization skills where necessary and helping the residents create a warm and comfortable community of friends. The Social Worker also serves as a liaison between the home and the community at-large. The goal is always to create a real home. This means that in addition to helping the residents feel comfortable together, the Social Worker strives to integrate the residents into the neighborhood.

Property Management

Senior Housing Solutions provides property management services for all of its properties. This includes yard service and routine maintenance and repair. We maintain relationships with over a dozen contractors to ensure timely response to needed repairs. Each resident has a direct contact to our Property Manager so that if anything needs fixing, residents can rest assured repairs will be made promptly. We conduct annual inspections of all properties, and over the past few years, all our properties have been remodeled and upgraded to provide a comfortable home environment.



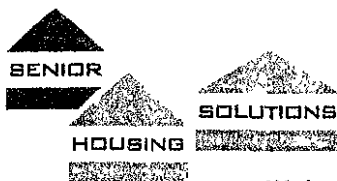
Our property management staff and contractors take pride in keeping our homes in tip-top condition.

For information about our housing program or to apply for housing with Senior Housing Solutions, please call our Property Manager at 408-416-0271

Funding

Operating and Capital funds for Senior Housing Solutions comes from several sources:

- **Rental Proceeds**
- **Individual donors**
- **Foundations**
Including Altos Foundation, Community Foundation Silicon Valley, Mission City Fund, Peninsula Community Foundation, Sobrato Foundation, Valley Foundation, and the Housing Trust of Santa Clara County.
- **Corporations**
Including AMD, Association of Silicon Valley Brokers, Bank of the West, Cisco Systems, IBM, The Silicon Valley Board of Realtors, and Wells Fargo.
- **United Way**
- **Governmental agencies**
Including the cities of Campbell, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Mountain View, Santa Clara, Sunnyvale, and the County of Santa Clara.



Welcome home!

512 Valley Way
Milpitas, CA 95035
www.srhousingsolutions.org

Similar to other non-profit organizations in Silicon Valley, we rely on individual, foundation and corporate support. With the recent economic downturn, these sources of revenue have become more competitive. Senior Housing Solutions continues to generate financial resources through the cultivation of new partnerships with first time donors.

If the information presented here has resonated with you, we would like to hear from you and we invite your support. Please contact Bob Campbell our Executive Director.

512 Valley Way,
Milpitas, CA 95035
Phone 408-416-0271
bob@srhousingsolutions.org

Resident Testimonials

Living here for the past eleven years has been one of the best times of my life! It has not only given me an extended family, it has brought me closer to my own family.

-- Paul

I can tell you that the ability of Senior Housing Solutions to continually keep my rent at 30% of my income has provided me a comfortable quality of life because it allows me to afford necessities I would have otherwise had to do without.

-- Ann

It is good to have housemates who are also friends – we try to help each other in tough times. I love having a yard and gardening area to enjoy!

-- Senior Group Residence Program Tenant

I have a higher standard of living now. I eat healthier, have less stress and I feel happier. I am close to doctors, shopping, bank and the bus. I love living here and I would be content to stay here the rest of my life.

-- Dexter

County of Santa Clara

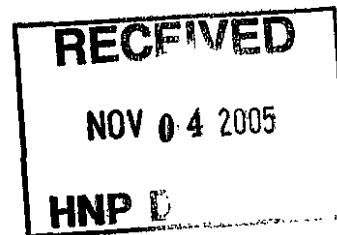
Office of the County Executive

County Government Center, East Wing
400 West Hedding Street
San Jose, California 95110
(408) 299-5105

RECEIVED OCT 21 2005



October 17, 2005



Bob Campbell, Executive Director
Senior Housing Solutions
512 Valley Way
Milpitas, CA 95035

**SUBJECT: Affordable Housing Fund Allocation Commitment for
Milpitas Senior Group Residence**

Dear Mr. Campbell:

The purpose of this letter is to confirm that at its meeting on September 27, 2005, the County of Santa Clara Board of Supervisors approved an allocation of funding and authorized a loan commitment in a total maximum amount of \$250,000 to the Milpitas Senior Group Residence project. The project is sponsored by Senior Housing Solutions.

The source of the County's loan funds is its Affordable Housing Fund (AHF) which the Board of Supervisors set aside in the general fund. Allocation of the AHF funds are within the total control of the County of Santa Clara's Board of Supervisors. The terms of the loan will be structured to comply with requirements of the tax credit programs as applicable. The loan terms will be for 55 years at 3% simple interest with payments of principal and interest deferred. Annual payments in the amount of 0.3% of the outstanding principal loan balance shall be payable to the County as an administrative fee. Interest will be payable out of residual receipts.

Senior Housing Solutions has the Board of Supervisors full support for the Milpitas Senior Group Residence project. For more information concerning this funding commitment, please contact Angelina N. McCormick, of the Office of Affordable Housing at (408) 441-4248.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Kulas, Jr.".

Peter Kulas, Jr.
County Executive

**Senior Housing Solutions Acquisition/Rehabilitation Sources Spreadsheet
for
Milpitas Senior Group Residence Project**

Project	Date	Sources	Acquisition Cost	Initial Rehab Cost
Fairlands Ct City of Campbell 4 bdrm 2bath added 1 bdrm 1 bath & rehab to turn key	1993	City of Campbell Redevelopment CDBG County of Santa Clara HOME	\$324,970	\$33,000
Homestead Rd City of Santa Clara 4 bdrm 2 bath rehab to turn key	1993	City of Santa Clara Redevelopment HOME	\$257,406	Rehab work done by City Public Works Dept.
Klee Ct. City of Sunnyvale Duplex 5 bdrm 3 bath Rehab to turn key	1994	City of Sunnyvale CDBG HOME	\$356,184	\$25,066
Wolfe Rd City of Sunnyvale 3 bdrm 1 bath added 1 bdrm 1 bath & rehab to turn key	1997	City of Sunnyvale HOME City of Mt. View HOME City of Los Altos Hills CDBG (Urban Cnty) City of Los Altos CDBG (Urban Cnty)	\$315,257	\$45,000
Pollard Rd City of Campbell 3 bdrm 2 bath added 2 bdrm 1 bath & rehab to turn key	2001	City of Campbell Redevelopment CDBG County CDBG Rental Rehab Program Housing Trust	\$450,000	\$197,059
Blossom Hill Town of Los Gatos 5 bdrm 3 bath Rehab to turn key	2003	Town of Los Gatos Redevelopment CDBG Housing Trust County of Santa Clara HOME CDBG Rental Rehab Program	\$564,000	\$159,150

SENIOR HOUSING SOLUTIONS
Schedule of Long-Term Liabilities (Revised May 1, 2004)

City	Street	Purchase Price	Financing	Loan/Grant Amount	Term	Rate	Start	End
Campbell	Fairlands	\$324,970	Campbell					
Master Loan Agreement identifies \$138,000 RDA funds and \$25,000 separately. Promissory Note lumps them together for a total of \$163,000. Both are signed January 15, 1993.			Redevelopment	138,000	30 Yr. Deferred	3% Simple Deferred	1/15/1993	1/1/2023
					No pymts. after 30 yrs if continued as affordable. If sold, pay principal + 3% to date of sale. Relocation charges will apply if residents still in house at time of sale.			
			CDBG	25,000	Requires use of property for affordable housing for seniors for 30 years.		1/15/1993	1/1/2023
Loan agreement contract # HO-93-01			County HOME Loan	60,000	30 year Deferred	3% Simple Deferred	12/8/1992	1/1/2023
Loan # 406-12-015 Executed 8-11-03 First Nationwide reconveyance			County Rental Rehab Prgm This loan refinanced commercial loan and provided rehab funds	77,088 To pay off commercial loan 56,412 for rehab total loan 133,500	15 years Deferred	3% Simple Deferred	8/11/2003	6/1/2018

SENIOR HOUSING SOLUTIONS
Schedule of Long-Term Liabilities (Revised May 1, 2004)

City	Street	Purchase Price	Financing	Loan/Grant Amount	Term	Rate	Start	End
Santa Clara	Homestead	\$257,406	Santa Clara					
Promissory Note and Deed of Trust dated 10/13/1993			Redevelopment	144,126	13 Yr. Deferred	0%	10/13/1993	11/1/2006
					After 13 years of successful performance of the contract principle and interest will be considered paid. Affordability 30 years running with HOME \$\$			
Promissory Note and Deed of Trust dated 10-13-93			HOME	113,280	30 Yr	0%	10/13/1993	11/1/2023
					Beginning in year 20 (2013) Project Match will accrue 10% equity position per year until the end of the affordability period in 2023. At that time Project Match will own 100% equity position in the house			
Agreement Between Project Mach and City of Santa Clara								
with Exhibit A Scope of Affordable Housing Servs								
and Exhibit B Budget and Basis for repayment of the RDA								

SENIOR HOUSING SOLUTIONS
Schedule of Long-Term Liabilities (Revised May 1, 2004)

City	Street	Purchase Price	Financing	Loan/Grant Amount	Term	Rate	Start	End
Sunnyvale	Klee	\$356,184	Sunnyvale					
Promissory Note and Deed of Trust			CDBG Purchase	31,934	30 Yr.	3% Simple	1/14/1994	1/1/2024
			CDBG Rehab	25,066	Deferred	Deferred		
			HOME Purchase	170,250	No pymts. after 30 yrs if continued as affordable. If sold, pay principal + 3% to date of sale. Relocation charges will apply if residents still in house at time of sale.			
Promissory Note with Amendment regarding and monthly pymts and Deed of Trust			Sunnyvale					
			CDBG Rehab	45,258	15 Yr	5.00%	4/3/2002	4/1/2027
CDBG Refi	128,742	Mthly pymts 750 to City	Simple					

SENIOR HOUSING SOLUTIONS
Schedule of Long-Term Liabilities (Revised May 1, 2004)

City	Street	Purchase Price	Financing	Loan/Grant Amount	Term	Rate	Start	End
Sunnyvale	Wolfe	\$315,257	Sunnyvale					
Promissory Note and Deed of Trust			HOME Purchase	30,000	30 Yr. Deferred	3% Simple Deferred	7/2/1997	7/2/2027
			HOME Rehab	45,000				
					If sold, pay principal + 3% to date of sale. Relocation charges will apply if residents still in house at time of sale.			
Promissory Note with Release of Obligation & Amendment regarding and monthly pymts and Deed of Trust			Sunnyvale					
			CDBG Rehab	12,669	15 Yr. Mthly pymts 400 to City	5% Simple Fixed	4/3/2002	4/2/2027
CDBG Refi	73,331							
Promissory Note and Deed of Trust			Mt. View					
			HOME Purchase	131,850	30 Yr.	3% Simple	7/3/1997	7/3/1927
					No pymts. after 30 yrs if continued as affordable. If sold, pay principal + 3% to date of sale or 38% of proceeds, whichever is greater. Relocation charges will apply if residents still in house at time of sale.			
County contract # LH-97-52 County contract # LG-98-11			County					
			Los Altos Hills Los Altos	30,000 40,000	These are grants. Requires use of property for affordable housing		7/3/1997	7/3/1927

SENIOR HOUSING SOLUTIONS
Schedule of Long-Term Liabilities (Revised May 1, 2004)

City	Street	Purchase Price	Financing	Loan/Grant Amount	Term	Rate	Start	End
Campbell	Pollard Rd	\$450,000	City of Campbell Redevelopment Agency	\$450,000 In-Kind Donation	30 Yr. Affordability Period	0.00%	5/24/2001	12/1/2031
Disposition and Development Agree Grant Deed Resale Restriction Agreement								
Purchase orders			City of Campbell CDBG Rehab Grant	48,159	30 Yr. Affordability Period	0%	12/1/2001	12/1/2031
Contract # NG-02-51			County CDBG Rehab Loan	123,900	30 Yr. Deferred	6% Simple Deferred	12/1/2001	12/1/2031
Promissory Note and Deed of Trust Loan # RRP 403-21-007			County Rent Rehab Rent Rehab Prog Loan	25,000	15 Yr. Deferred	6% Simple Deferred	12/1/2001	12/1/2016
Promissory Note and Deed of Trust Loan # 5013			Housing Trust through Lenders for Comm Dev Permanent Loan	50,000	30 Yr. Residual Receipt	1% Based on Residual Receipts	2/28/2001	2/1/2031

SENIOR HOUSING SOLUTIONS
Schedule of Long-Term Liabilities (Revised May 1, 2004)

City	Street	Purchase Price	Financing	Loan/Grant Amount	Term	Rate	Start	End
Los Gatos	Blossom Hill Rd	\$564,000	Town of Los Gatos Redevelopment Agency Loan		99 Yr. Affordability Period	3% Simple	7/7/2003	7/1/2102
	Promissory Note and Deed of Trust		CDBG Redevelopment	126,801 265,000				
			Total Loan	\$388,801				
	Promissory Note and Deed of Trust		Lenders for Commty Dev for Housing Trust Fund Loan	60,000	50 years permanent	0%	7/18/2003	7/1/2053
	Promissory Note and Deed of Trust Contract # HO-04-04		County of Santa Clara HOME Loan	90,493	30 Yr. Affordability Period	6% Simple Deferred	12/19/2003	12/1/2033
	Promissory Note and Deed of Trust Contract # NG-04-11		County of Santa Clara CDBG Loan	72,359	30 Yr. Affordability Period	6% Simple Deferred	12/19/2003	12/1/2033
	Promissory Note and Deed of Trust Loan # 403-21-007		County of Santa Clara Rental Rehab Program	159,150	15 Yr Deferred	3% Simple Deferred	9/1/2003	9/1/2018

7:13 AM
10/13/05
Accrual Basis

Senior Housing Solutions

Balance Sheet

As of August 31, 2005

	Aug 31, 05
ASSETS	
Current Assets	
Checking/Savings	
1010 · Petty Cash	200.00
1015 · SHS Checking	3,798.78
1020 · Checking-Bank of the West	14,177.05
1060 · Santa Clara Maint Reserve Fund	15,771.44
1065 · Reserve Fund - General	31,106.05
Total Checking/Savings	65,053.32
Accounts Receivable	
1200 · Accounts Receivable	22,637.07
Total Accounts Receivable	22,637.07
Other Current Assets	
1350 · Prepaid Expenses	2,386.25
1360 · Deposits	2,757.00
1499 · Undeposited Funds	2,918.49
Total Other Current Assets	8,061.74
Total Current Assets	95,752.13
Fixed Assets	
1810 · Land	1,419,811.06
1820 · Buildings & Improvements	1,535,505.95
1840 · Furniture & Equipment	66,092.56
1890 · (Accumulated Depreciation)	-329,918.00
Total Fixed Assets	2,691,491.57
TOTAL ASSETS	2,787,243.70
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2510 · Accounts Payable	4,326.20
Total Accounts Payable	4,326.20
Other Current Liabilities	
2535 · FSA Benefits Payable	-148.00
2565 · Accrued Vacation	9,913.19
2580 · Tenant Security Deposits	11,102.00
2600 · Current Notes Payable	14,999.00
Total Other Current Liabilities	35,866.19
Total Current Liabilities	40,192.39
Long Term Liabilities	
2700 · Long Term Notes & Contracts	2,242,129.00
2940 · Interest Payable	328,442.10
Total Long Term Liabilities	2,570,571.10
Total Liabilities	2,610,763.49
Equity	
3005 · Net Assets	273,933.11
3900 · Retained Earnings	-74,173.28
Net Income	-23,279.62
Total Equity	176,480.21
TOTAL LIABILITIES & EQUITY	2,787,243.70

7:15 AM

10/13/05

Accrual Basis

Senior Housing Solutions **Revenue & Expense Budget vs. Actual YTD** **July through August 2005**

	Jul - Aug 05	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Government Funds	0.00	0.00	0.00	0.0%
4100 · Rental Income	39,537.48	44,301.66	-4,764.18	89.2%
4200 · Grants & Donations	1,206.90	313.70	893.20	384.7%
4500 · Program Fees	102.00	50.00	52.00	204.0%
4900 · Interest Income	218.64	43.00	175.64	508.5%
4950 · From (To) Restricted Net Asset	8,916.69			
Total Income	49,981.71	44,708.36	5,273.35	111.8%
Gross Profit	49,981.71	44,708.36	5,273.35	111.8%
Expense				
6000 · Personnel Expenses	35,281.66	35,872.50	-590.84	98.4%
6100 · Professional Fees	1,439.12	2,060.00	-620.88	69.9%
6150 · D&O/Bond/Volunteer Insurance	720.72	477.20	243.52	151.0%
6160 · Bank Charges	22.00	66.70	-44.70	33.0%
6200 · Supplies	1,672.23	823.30	848.93	203.1%
6250 · Credit Check	183.40	50.00	133.40	366.8%
6260 · Telephone	1,713.69	2,000.00	-286.31	85.7%
6270 · Postage	222.00	1,280.00	-1,058.00	17.3%
6300 · Occupancy Expenses	17,572.73	16,365.90	1,206.83	107.4%
6500 · Equipment Maintenance	243.00	333.30	-90.30	72.9%
6600 · Printing	0.00	0.00	0.00	0.0%
6710 · Mileage	940.02	633.30	306.72	148.4%
6720 · Conferences	0.00	50.00	-50.00	0.0%
6730 · Training	305.00	100.00	205.00	305.0%
6740 · Recruitment/Advertising Costs	0.00	1,000.00	-1,000.00	0.0%
6745 · Promotion	0.00	500.00	-500.00	0.0%
6755 · Licenses & Fees	0.00	0.00	0.00	0.0%
6760 · Memberships & Dues	25.00	0.00	25.00	100.0%
6770 · Subscriptions	0.00	50.00	-50.00	0.0%
7010 · Maintenance Reserve	0.00	1,333.30	-1,333.30	0.0%
Total Expense	60,340.57	62,995.50	-2,654.93	95.8%
Net Ordinary Income	-10,358.86	-18,287.14	7,928.28	56.6%
Other Income/Expense				
Other Expense				
9500 · Interest Expense-Accrued	12,920.76			
9510 · Interest Expense - Actual	0.00	2,300.00	-2,300.00	0.0%
Total Other Expense	12,920.76	2,300.00	10,620.76	561.8%
Net Other Income	-12,920.76	-2,300.00	-10,620.76	561.8%
Net Income	-23,279.62	-20,587.14	-2,692.48	113.1%

SENIOR HOUSING SOLUTIONS

Board of Directors – 2005

PRESIDENT

Chris Ray
Coldwell Banker
449 N. Santa Cruz Ave.
Los Gatos, CA 95030

Term: 11/02 - 12/2006 (1st Term)

PHONE: (408) 355-1566 (W)

FAX: (408) 355-1599 (W)

E-MAIL: cray@cbnorcal.com

OCCUPATION: Realtor, Coldwell Banker

COMMITTEE MEMBERSHIP:

Executive Committee – Chair

Finance Committee

Property Development Committee

VICE PRESIDENT

Kent F. Pelz
1962 Adele Place
San Jose, CA 95125

Term: 4/03 – 12/2007 (1st Term)

PHONE: (408) 448-1628 (H)

(408) 594-1074 (C)

(408) 866-5166 (W)

FAX: (408) 448-1627

E-MAIL: kentpelz@yahoo.com

OCCUPATION: Self Employed - Business
Consultant

COMMITTEE MEMBERSHIP:

Executive Committee

Communications Committee - Chair

SECRETARY

Joanna Snyder
353 Johnson Avenue
Los Gatos, CA 95030

Term: 4/97 - 12/2006 (3rd Term)

PHONE: (408) 395-4142 (H)

(408) 489-0451 (Cell)

FAX:

E-MAIL: Joanna@twobagsfull.com

OCCUPATION: Retired

COMMITTEE MEMBERSHIP:

Executive Committee

Communications Committee

TREASURER

Greg Stowers
15495 Los Gatos Blvd., Ste. 1
Los Gatos, CA 95032

Term: 9/2004 – 12/2007 (1st Term)

PHONE: (408) 358-5488

FAX: (408) 358-5490

E-MAIL: greg@stowersassociates.com

OCCUPATION: Architect

COMMITTEE MEMBERSHIP:

Executive Committee

Finance Committee - Chair

Property Development Committee

SENIOR HOUSING SOLUTIONS

Board of Directors – 2005

DIRECTOR

Daniel T. Amend
Toeniskoetter & Breeding, Inc. Dev.
1960 The Alameda, #20
San Jose, CA 95126

Term: 1/05 - 12/2007 (1st Term)

PHONE: (408) 292-3001 (H)
(408) 246-3691 (W)
(408) 892-7140 (C)

FAX: (408) 241-9983 (W)
E-MAIL: damend@tbionline.com

OCCUPATION: Vice President,
Toeniskoetter & Breeding, Inc.
Development

COMMITTEE MEMBERSHIP:
Property Development Committee - Chair

DIRECTOR

Daniel S. Gonzales
101 First Street, Box 255
Los Altos, CA 94022

Term: 2/97 - 12/2006 (3rd Term)

PHONE: (650) 948-7404 (H)
(408) 299-0180 (W)

FAX: (408) 271-0754 (W)
E-MAIL: dsgonzale6@yahoo.com

OCCUPATION: Attorney, Eller &
Associates

COMMITTEE MEMBERSHIP:
Finance Committee

DIRECTOR

John Mclemore
307 Los Padres Blvd.
Santa Clara, CA 95050

Term: 2/03 - 12/2007 (1st Term)

PHONE: (408) 261-9431 (H)

FAX:
E-MAIL: jlmclmore@aol.com

OCCUPATION: Commissioner,
Metropolitan Transportation Commission,
Oakland, CA.

COMMITTEE MEMBERSHIP:
Finance Committee

DIRECTOR

Ann Scales
P.O. Box 698
Angels Camp, CA 95222
Alternate Address
PO Box 112603
Campbell, CA
95011

Term: 8/2004 – 12/2007 (1st Term)

PHONE: (209) 736-1539

CELL:
FAX:
E-MAIL: Annlouise@mymailstation.com

OCCUPATION: Member, Senior Care
Commission, Santa Clara County & Board
President, Convalescent Hospital Ministry

COMMITTEE MEMBERSHIP:
Communications Committee

Internal Revenue Service

Date: July 29, 2005

SENIOR HOUSING SOLUTIONS
512 VALLEY WAY
MILPITAS CA 95035

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:

Kathy Masters ID# 31-04015
Customer Service Representative

Toll Free Telephone Number:

8:30 a.m. to 5:30 p.m. ET
877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

94-2619024

Dear Sir or Madam:

This is in response to your request of July 29, 2005, regarding your organization's tax-exempt status.

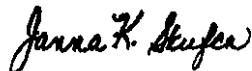
In April 1980 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Janna K. Skufca, Director, TE/GE
Customer Account Services

REFERENCES

Sharon Teeter
Housing Coordinator
70 N. First St.
Campbell, CA 95008
(408) 866-2137
sharont@ci.campbell.ca.us

Tracy Cunningham
Housing Rehabilitation Coordinator
Santa Clara County Office fo Affordable Housing
1735 N. First St. Suite 265
San Jose, CA 95112
(408) 441-4323
tracy.cunningham@ceo.sccgov.org